



## Defining and Categorizing Organizations of Informal Workers in Developing and Developed Countries

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This paper aims to capture the full range of organizational forms for voice and representation of informal workers, from formal union structures, to associations, to cooperatives and with goals ranging from collective bargaining to mutual aid/self help, and collective economic action. For researchers and activists concerned about informal workers, the paper provides a framework for tackling case study research. It clarifies the dimensions most useful for sorting among the vast variety of organizations that seek to address the representation needs and policy concerns of informal worker concerns in developing and developed countries.

Ultimately, this paper will enable activists and researchers engaged with informal worker movements to identify

and assess levers and constraints for organizing approaches in situations where informal workers are not organized. It will help them become aware of the full range of modes of organizing in order to build the movement of informal workers' organizations, to assess which organizations are membership-based organizations (MBOs) of informal workers, and to decide which organizations to collaborate with. In addition, the paper analyzes the forms of organizing that have been used effectively with different categories of informal workers and the different objectives of organizing: negotiating and collective bargaining; providing development services or interventions; policy advocacy; and mobilizing around issues. Finally, the paper discusses the forms and strategies of organizing that have the best or greatest impact on policy advocacy and improving the economic situation of informal workers, keeping in mind that success ranges from achieving economic and political gains and sustainability to less tangible dimensions like visibility and recognition.

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Waste pickers with the KKPKP union of Pune, India salvage valuable recyclables from waste.

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## Introduction

In order to capture the full range of organizational forms that contribute to the voice and representation of informal workers, this paper devises ways to think about the main characteristics of informal worker organizations. It also develops typologies for these. Informal worker organizations can range from formal union structures to associations and cooperatives, and each organization can have goals ranging from collective bargaining to mutual aid/self help and collective economic action. The paper, then, also seeks to define dimensions and characteristics that can help categorize organizations in developing and developed countries. This may make it possible to “screen in” organizations that do not refer to themselves as a union, and “screen out” others that make such a claim but in fact have few of the characteristics of worker-based organizations.

This paper is intended to serve as a springboard for discussions around how informal workers organize themselves. It clarifies the dimensions most useful for sorting among the vast variety of organizations that seek to address informal worker concerns in both developing and developed countries.

Some questions addressed are:

- What is the full scope of forms of organization, and what major dimensions are used to define them?
- Among all forms of organizations, which are member-based?
- What kinds of organizing activities, approaches and strategies are employed by the different organizational types?
- What can be learned about strengths and weaknesses of organizing strategies?

This paper may help researchers and activists devise a framework for designing and conducting a set of case studies on informal worker organizations.

## Defining the Scope of the Field

To understand and assess organizations of informal workers requires a pragmatic approach with few priors or expectations. Although the paper elaborates other key considerations, its primary consideration is that organizations act explicitly with, and on behalf of, people in their roles as workers and producers. The approach also must be pragmatic because organizations in the field also tend to be flexible in their approach; depending upon immediate goals, organizations may choose one or another path and form.

A pragmatic approach to thinking about informal worker organizations is also necessary because informal worker organizations range between “pure” membership-based organizations (MBOs) on one hand and non-governmental organizations with little or no formal membership representation on the other hand. Some organizations are clearly identifiable as unions. Some are networks of different types of organizations. Most, however, are “hybrids” with some elements of MBOs and other parts more akin to non-governmental organizations (NGOs).

One purpose of this paper is to single out dimensions that are useful in sorting through the broad range of hybrids. A practical concern here is to be inclusive enough to consider a myriad of organizations with some common goals but diverse forms and strategies (and in varying stages of development) while also being able to exclude from consideration organizations that carry a recognizable label but are, in fact, something else. The most often cited examples of the latter are “cooperatives” set up by entrepreneurs to bypass labour laws (this has been reported, for example, in Mexico).

Furthermore, organizations can change in form over time as a result of evolving worker needs, changes in the insti-

tutional environment, and altered strategic directions. These evolutions make it all the more important to have flexibility in assessing organizations instead of focusing on a single characterization.

Another reason many informal worker organizations do not fit neatly into existing categories and understandings of representative worker organizations is that neither informal workers nor the conditions of their work always fit mainstream definitions of the term “worker” (or “employer”). The term “informal workers” can, for instance, encompass wage workers as well as fully independent producers, although the majority of workers exist between these definitions. For these reasons, organizations of informal workers have evolved in diverse directions and have devised ways to recognize informal workers as workers.

History can provide useful examples when determining how broad the field of potential informal worker organizations should be and, within this group, which are potential MBOs. For example, while the modern day industrial union is the archetype for representative organizations of workers, it is the result of years of evolving organizational form and only rather recently became a representative organization of workers that are in dependent employment and do not own the means of production. The following quote, summing up the experiences of pre-1930s United States worker organizations that included subcontractors and owner operators, is illustrative:

*Workers understood that even many of those who owned capital, employed others, and sold a product or service were still in need of protection from the market, just as were those paid wages for their labour. And they understood that for them the only real freedom in the market came not through autonomy but through greater equality of bargaining power—a bargaining power based on the most expansive definition of worker.*

Cobble and Vosko 2000: 305

As Cobble and Vosko (2000) write, the recognition of the need for increased bargaining power rather than autonomy was particularly evident in the history of the US Teamsters. Though its members now drive trucks, the Teamsters began as an organization of horse-drawn rig drivers that included subcontractors and owner operators. In this trade, which predates the rise of modern corporations, there were many ways a driver could operate, including owning a horse (possibly several), owning carts, and even employing others to operate one’s horses or buggy. Given this diversity, over time the Teamsters Union evolved from a guild-like structure to a union and engaged in significant—and heated—internal debate about who could be a member of the union, a definition that hinged on members’ understanding of who belonged to the craft and the “working class”.

Who could belong was revised as the structure of the transportation industry and political consciousness changed over the years. But at the beginning of the twentieth century, the Teamsters Union chose to have owners and small scale “employers” in the union and debated criteria of ownership size considered compatible with working class status. For example, owning no more than one team of horses permitted membership because the number of teams one owned was crucial in determining class (and craft) allegiance; it determined how a driver’s income was derived and how time was spent (Cobble and Vosko 2000).

Similarly, in steel manufacturing, where labour contracting was introduced, most unions seem to have decided that adding certain managerial functions (like hiring helpers) did not disqualify one as a worker. Rather, determining factors for establishing worker status included the number of helpers employed by the journeyman, whether the journeyman continued to do the work of the craft, and whether or not the journeyman’s managerial function was permanent (Cobble and Vosko 2000 citing Clawson 1990).



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**All organizations, regardless of their particular form, can be assessed to determine how they deal with the economic concerns of informal workers.**

Historical examples such as these are useful in calling attention to the flexible nature of work arrangements over time, and to recognizing the need to protect livelihoods for many kinds of workers, regardless of what their employment status appears to be.

Therefore, in considering informal worker organizations, it is useful to think broadly, keeping in mind both the priorities of informal worker livelihoods, on one hand, and holding open the possibility of multiple ways to improve livelihoods on the other.

## **Understanding Informal Worker Organizations**

WIEGO and other like-minded researchers and activists are most interested in understanding organizations (specifically MBOs of the poor):

- that organize, or aim to organize, workers in informal employment as workers
- that organize informal workers as workers, regardless of the basis for organizing (it may be residence, or ethnic identity)
- that focus on affecting economic outcomes for their members and others in informal employment (Chen et al. 2007)

The primary interest is in organizations that engage, mobilize, and organize them as “workers” in the most general sense (worker, self-employed, micro entrepreneur) rather than focusing on other dimensions of life which might be the basis for mobilization.

WIEGO, in particular, seeks to understand and find means to assess two main dimensions of these organizations: first, we assess the full range of organizing options as well as whether they are membership-based; these organizations range from formal unions, to associations, producer organizations, or community-based organizations (CBOs). As appropriate, WIEGO also considers “hybrids” such as certain organizations with NGO status that have developed an organizing agenda,

a membership, and that aim to grow into representative organizations. Organizations that are registered cooperatives, whenever they meet some of the organizing functions also met by MBOs, are also considered. (This issue is further elaborated later in the paper.) Second, it is necessary to assess the strengths and weaknesses of each particular approach.

This paper adheres to the notion articulated by Pat Horn (2008a) that all organizations, regardless of their particular form, can be assessed to determine how they deal with the economic concerns of informal workers. Some WIEGO members and researchers have noted<sup>2</sup> that, for example, the type of registration, or legal standing, that an organization takes may be different from its actual form of action and representation for technical reasons (e.g. what is possible in the national regulatory context). Hence, this paper discusses “major distinctions” (below) as a means to cut through superficial distinctions due to legal framework or terminology.

The purpose of the typologies and analysis presented in this paper is to enable those engaged with informal worker movements to do the following:

- a) identify and assess levers and constraints for organizing approaches in situations where informal workers are not organized
- b) become aware of the full range of modes of organizing—for purposes of building the movement of informal workers organizations, to assess which organizations are MBOs of the informal workers/poor, and to decide which organizations to collaborate with
- c) identify successful modes of organizing informal workers and what influences success – keeping in mind that success ranges from achieving economic and political gains and sustainability to less tangible dimensions (e.g. visibility, recognition)

<sup>2</sup> January 2009 WIEGO Board meeting.

- d) analyze which forms of organizing are best suited to different categories of informal workers; and to different objectives of organizing (negotiating and collective bargaining; providing development services or interventions; policy advocacy; mobilizing around issues)
- e) analyze which forms and strategies of organizing have the best or greatest impact on policy advocacy, and on improving the economic situation of informal workers

## Major Distinctions

There are four major distinctions that are helpful in creating typologies of organizations and serve to organize other dimensions of comparison. Major distinctions<sup>3</sup> are:

1. the kind of workers organized, in terms of sector or industry, occupation, employment status, location of work, gender
2. the relationship to the legal framework for the workers themselves
3. the type of organization
4. the relationship of the organization to the legal framework (e.g. legal status as union or association)

Facets of these major distinctions—and of additional dimensions that are relevant to sorting organizations—are spelled out in this paper. As well, the paper examines the importance of the distinctions in understanding the work of particular organizations of informal workers. Finally, it explores potential levers for organizing (and representation) or for impacting policies, improving income, working conditions, or status.

<sup>3</sup> These are partly based on discussions at the Harvard Trade Union Program Conference on the Informal Economy in North America (May 2001) and that on Organizing Informal Workers in the Global Economy (October 2001).

## 1. Kinds of Workers Organized

### Trade-Occupation

This dimension is important as a sorting mechanism because it enables organizers and others to find levers for economic improvement for informal workers; economic factors affecting trade affect the kinds of levers chosen for organizing. It matters whether the workers form a group of mixed trades-occupations and whether the group includes only women or is a mixed gender group. This dimension also recognizes that informal workers may have multiple income earning activities, therefore identification with a particular trade is less important as a means for mobilization. However, often informal workers have a main activity/trade and are organized around this activity and it is most important that organizers of informal workers (in an MBO or even a co-operative) are knowledgeable about the activity to understand what to organize around and where levers for action are located.

Once this basic distinction is established, further refinements in categorization need to be made in order to fully understand the economic situation of workers involved.

### Economic Sector or Industry

Although the “trade”—that is, the industry-occupation sector (e.g. garment embroidery, flower grower)—that best describes the group of workers matters, so too does the actual definition of the industry in which the informal workers operate. This is because the industry’s structure and regulatory context need to be understood.

### Employment Status

The employment status of workers is central because it mediates how workers relate to the institutional framework for employment relations and taxation.

How informal workers are located in the following typology matters:

- Self-employed:
  - Employers
  - Own account workers
  - Unpaid contributing family workers
- Wage Employed:
  - Non-regular employees
  - Casual day labourers
  - Contract workers
- Intermediate Categories:
  - Dependent contractors
  - Industrial outworkers

### Location of Work

The location of the work is important in and of itself as a sorting mechanism for several reasons. Location underscores the fact that there are multiple, creative ways to think about the workplace, which is an important dimension to raise in discussions with unions and generally has an impact on organizing. Location also has ramifications for conditions of work, its associated risks and constraints (see Chen et al. 2007, chapter 4), and for interaction with the legal framework. It is also connected to the kind of work and workers. WIEGO identifies these dimensions and key differences in these groupings:

- home-based (own home)
- street/public space based (no one person’s work space, e.g. vending things or services)
- public space (e.g. construction, transport)
- agricultural production (sea, land, forest – sometimes not agricultural production but gathering and selling natural resources, e.g. forest products)
- based in others’ homes (domestic workers, health and personal services workers)
- small workshops, factories, or shops<sup>4</sup>

<sup>4</sup> When informal workers in formal sector firms are considered, such as temporary workers, their locus of work may coincide with that of formal workers, for example, the plant or office.

## 2. Kinds of Organizations

Ultimately, the purpose of this exercise is to assess whether a particular organization is a truly democratic and representative MBO with dues-paying members who elect their representative leaders, or whether it is a proto-MBO that is seeking to become a truly democratic organization, or it is a hybrid organization. Thus, the primary dimension along which to sort organizations is whether an organization is membership-based primarily for: a) negotiating and collective bargaining (what the Self-Employed Women's Association [SEWA] calls "struggle"); or b) development purposes (that is, as a production unit or for receiving services); or c) combines both of these purposes, at least to some degree.

### Membership Characteristics

The organization may organize members for any number of goals, but it defines the universe of potential members (which drives the extent of organizing) and targets members based on different criteria—which in turn affects the formal structure in different ways. These criteria may be:

- a) based in geographic/community/occupation group
- b) based on an affinity group (e.g. group of migrant workers; ethnic subgroup)
- c) related to a specific production unit or association of production units

This seems the simplest distinction to draw in terms of kind of organization. All other significant distinctions could be captured by variations in strategy, level of action, and so on, as discussed below.

### Legal Framework

A further distinction to draw is the MBO's relationship to the legal framework: for example, the distinc-

tion between formal union, cooperative, producer association, and community-based organization. This distinction may not achieve much to explain real differences across organizations, but it is useful in determining how organizations are formally labelled.<sup>5</sup> The actual registration or legal form that the organization takes may be dictated by limits of the local institutional/regulatory framework, but it is not necessarily indicative of the actual organizational form. Nevertheless, the "label" is useful because it indicates the context in which the organization must operate. There are many examples of cooperatives that are legally registered as associations and, in some cases, as private companies to avoid complex cooperative registration procedures or to be able to bid on contracts. This is a fairly common practice because, in a number of countries, notably India, the legislation on cooperatives may restrict actions that the organization wants to undertake.

It is also important to note that many organizations undertake more than one activity and appear to be hybrids. For example, a union like SEWA also runs cooperatives. Similarly, a producer association or cooperative can own a private company and thus combine different legal forms. As a result, it is best to focus on the main organizing and representation structure that the organization offers workers.

### Level and Scope

Beyond the basic unit of each organization, when examining influence on national and possibly international policy (see later section), it is important to note the level and scope of the organization: Is it national or international? Is it part of a federation? And what is the level of this federation?

<sup>5</sup> Organizations are labelled in, for example, the WIEGO Organization and Representation Database (WORD) as well as other databases.

## 3. Organizational Goals and Strategies

### Overarching Goals

Almost all, if not all, MBOs of informal workers share the following goals in different mixes and with different emphases: representation (voice); negotiation and collective bargaining; accessing or providing services; mobilizing around issues or for political power, and for social inclusion; and solidarity.

As noted above, focusing on strategies will best help define what organizations do and help sort among different kinds of organizations. In this case, we use "strategy" fairly loosely to mean the choice of primary approach for exerting power (political or economic) or voice on behalf of informal workers. (In this view, social insurance for informal workers is a means to sustain economic power.)

### Main Strategies and Intermediate Goals *Negotiation and Collective Bargaining Strategies with Employers/Contractors*

Organizations bargain with, and hold employers or contractors accountable for, respecting existing agreements or respecting laws and regulations, a position akin to an enforcement role. Often this requires holding local and state regulators accountable, so it is also a political strategy as defined below. Organizations can also make new demands related to compensation or conditions of work.

It matters to determine whether an organization engages in negotiation. Not all organizations use negotiation or are strong enough to bring the relevant parties to the table. In fact, for practical reasons, organizations often engage in a wide range of activities falling under the rubric of "advocacy." They may initiate meetings and, eventually, regular dialogue sessions with government

representatives in particular. These activities often take place against a backdrop of organized advocacy campaign activities. Most notably, organizations with roots in the NGO world tend to describe these activities as “advocacy” rather than negotiation. All the same, for purposes of this typology, if agreement is reached through a process of meetings, it falls under the generic category of negotiation approaches.

Nevertheless, informal worker organizations employ a wide gamut of approaches and uses of this strategy as illustrated in the examples below, which are drawn from the field experiences of the WIEGO team and institutional members. In addition, for many informal workers who work in public space, or in homes affected by public policies regarding access to electricity or water, negotiation most often occurs with local authorities or representatives of regional or central government.

As a union, SEWA has engaged in numerous instances of bargaining. In 2004 in Gujarat, India for example, it engaged in a tri-partite negotiation over a contribution into the health and welfare fund for *bidi* (traditional cigarettes) rollers. The bargaining process included SEWA negotiators and a delegation of members, three main buyers/distributors of *bidis*, and a representative of the state of Gujarat Commissioner of Labour. These negotiations were the culmination of a lengthy process and were seen by the government representative, workers, and employers as leading to a formal agreement.

In the mid 1990s, Durban’s Self-Employed Women’s Union successfully negotiated a formal agreement with the Durban Municipality (KwaZulu Natal, South Africa). The agreement covered provisions for preserving access to particular areas and building shelters for trading (by category of traders) and for relocations in case of construction. The agreement also confirmed a mutual commitment to a process of consultation around pending issues such as space for childcare for traders’ children and overnight storage facilities (Bonner 2009: 28).

PATAMABA, a nationwide network of homeworkers in the Philippines, has been negotiating with local and national government entities since the 1990s. Most recently, it has undertaken a negotiation effort with the national government to establish an informal worker “Magna Carta” seeking to establish clear rights and access to social security schemes for informal workers.

### ***Economic Development Strategies***

The primary goal of these strategies is to increase earnings of members/constituency overall and increase the stability and predictability of these earnings. There are several kinds of economic development strategies. Some market strategies seek to achieve gains for members through identifying levers to gain economic power for the membership. They may aim to find new markets, identifying niche markets or markets sheltered through regulation or political agreement. Organizations engaging in these strategies include self help groups, producer cooperatives, and producer associations. Here, it is important to differentiate cooperatives created to maintain “good” working class jobs (when a company threatens to close otherwise) and cooperatives or associations created from the start to promote earnings.

The goals of these organizations are mixed, though all include income generation. Some groups of workers use the cooperative as a mechanism for knowledge transfer, to access information, and to facilitate technical support. Organizations may also provide training or get access to publicly funded training. All cooperatives aim to maximize resources by pooling resources and sharing common administrative structures as well as equipment.

Producer associations have similar goals to cooperatives. They often are a preferred legal option, especially when the legal framework for cooperatives is restrictive and/or actually compromises the key cooperative principle of autonomy through making allowances for government intervention.



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**SEWA (a trade union with 1.7 million members) has stood out as being able to combine a strategy of “struggle” and one of “economic development.”**

### **Market Strategies**

Market strategies are important as a means with which to organize informal workers because they provide increased economic empowerment for members, enabling the group to have some financial autonomy from philanthropic or government funding. Cooperatives (and other producer groups) in particular can offer a way to mobilize around economic rights and eventually move beyond self-help strategies and into movement building. Finally, market strategies provide an obvious economic incentive for organizing but can also evolve into developing political positions and influence.

A number of these strategies entail negotiations, the goals of which are to *affect the terms of trade/purchase* up the supply chain, to *affect prices down the market chain*, and, importantly, to *influence policy decisions impacting the market itself*. The latter includes decisions to privatize or outsource service or goods provision (e.g. recycling contracts) rather than to provide the contracts to local (informal) vendors.

Strategies can also help workers *access markets through collective marketing and bargaining efforts*. Goals include achieving at least “fair” price for goods or services, *removing rungs in the chain*, and getting rid of middlemen. For example, in Belo Horizonte, Brazil, a waste collector cooperative owns a plastics factory for recycling, which enables members to realize higher value from the products collected (Samson 2009; Horn 2008b). In another example, India’s SEWA has organized cooperatives in rural areas and worked to by-pass middlemen in agricultural product and some craft markets, enabling members to retain a higher share of proceeds.

Producer organizations may also seek to add value by *federating to access service providers* such as processors of raw materials. Competition among members can be regulated through methods like setting rules for competition or moderating price cutting competition. Finally, organizations may also use market strategies to negotiate long term contracts.

### **Access to Credit and Social Protection through Market Strategies**

Organizations facilitate savings mechanisms and access to credit through self-help approaches such as establishing credit cooperatives or technology-based solutions (e.g. cell phone banking). They also organize, advocate, and negotiate, seeking changes to the parameters by which banking and borrowing are governed, helping unbanked members qualify to access credit institutions.

Organizations of informal workers have also had some success in linking their members to insurance programmes in settings without universal social protection schemes. Several examples of insurance associations in Ethiopia and Tanzania are discussed in Chen et al. (2007) and constitute a mechanism of potential interest to informal worker organizations.

### **Combined Approaches**

SEWA, a union that in 2012 had 1.7 million members across India, has stood out as being able to combine a strategy of “struggle” and one of “economic development.” Bonner and Spooner (2010) note that SEWA has a complex struggle strategy (organizing, negotiating, and advocating). But it also contains within its multifaceted family of sister organizations over 100 producer and marketing cooperatives run by its members; SEWA has formed a federation of cooperatives with a broad economic and social development and trade agenda. Similarly, Bonner and Spooner report that the KKPKP (trade union of waste pickers in Pune, India) is a union/association with over 6,000 members, mainly women waste pickers, who advocate and negotiate with local authorities. It also formed a savings and credit cooperative for members as well as scrap shop cooperatives where members can sell their materials at better prices. In 2007, after extensive negotiations with the municipality, it created a solid waste doorstep collection cooperative, SWaCH, which integrates waste pickers into the solid waste management system in the city (Samson 2009).



For additional examples from the WIEGO network of organizations and others, see Chen et al. (2007) or the Organizations section of [wiego.org](http://wiego.org). Examples include waste picker cooperatives in Latin America as well as India. Horn (2008a) addresses the organizing and practical issues faced by cooperatives for garbage collection and recycling in Brazil. Samson (2009) includes extensive examples from Southern Africa.

### **Political Strategies: Policy Advocacy and Mobilization**

Political strategies range widely from policy advocacy to more general mobilization strategies for specific goals. Any of these strategies can be used to access social protection or to build it (e.g. through self-help mechanisms).

#### ***Policy Advocacy***

Policy advocacy encompasses “struggle” activities that support negotiation, and exerting pressure on employers, authorities or different levels of government in order to defend existing rights, make new demands and negotiate with government units. Advocacy is also used to publicize the workers’ situation and gain public support. Advocacy activities may be targeted toward changing rules or policies related to minimum wage, social insurance, other social services, and participation in decision making. This type of advocacy also holds government accountable for enforcement of rule and policy changes.<sup>6</sup>

#### ***Mobilization***

Many organizations use tactics to publicize their situation, position or demand and gain public and other support. Organizations mobilize members and sympathizers most commonly for campaigns around specific issues of concern to informal workers; the issues range

widely and can include things like public space access, fines, or labour standards violations. More rarely, organizations might mobilize membership for political participation when doing so has a bearing on members’ work and economic fortunes. Most forms of collective action are essentially peaceful—demonstrations, marches, media campaigns and rallies—although there have been instances of mobilization that have turned rougher, in particular contexts such as some of the vendor or transport workers’ struggles.

Political strategies are important to consider. Political power cuts both ways. An organization needs to be strong enough to have significant political power. Conversely, targeted policy activism is possible even when an organization is not very large thanks to public campaigns, test cases, and so on. Importantly, political activism happens without official connection to a political party in many instances.

There are numerous examples of such approaches. For example, in 2009, KKP members organized marches to the offices of an insurance company that was very late in paying out benefits to its members. Waste pickers have organized marches against the privatization of waste collection in Brazil, Peru, and Uruguay, among other countries. South African domestic workers have organized marches on government offices demanding access to some publicly sponsored benefits. Vendors from Warwick Junction in Durban, South Africa marched against the planned removal from their current location to make way for a shopping mall—the beginning of a mobilization that successfully halted the building of the formal mall (see [www.streetnet.org.za](http://www.streetnet.org.za); Dobson and Skinner 2009). In the United States, campaigns have taken place for living wage ordinances and for mandates to provide health insurance to cover workers who have had no means of access to social protection.

### **The Intersection of Economic Development and Political Strategies**

Some MBOs start out with the primary goal of generating income while others begin with the explicit goal of using the economic agenda of income generation as a means toward political mobilization. Among researchers, there is general interest in prioritizing those groups that have a more explicit agenda of political mobilization. Yet, the form an organization takes, and sometimes its avowed goal, do not automatically drive the political agenda. Some organizations (e.g. producer groups) that start out primarily with income generation goals evolve into something more political—in other words, organizations are not static and their path cannot be easily predicted.

## **4. Means of Sustainability**

Considering means of sustainability is key as the degree of access to funding sources influences what strategies can be implemented. In general, funding sources are both a resource and a constraint; they act in support of other strategies, and their reliability affects how the organization evolves over time.

Means of sustainability themselves are broad, including external funding whether it comes through philanthropy, government grants, or subsidies. In Brazil, for instance, local authorities provide a regular subsidy to waste picker cooperatives and/or in some cases, provide rent free premises and contracts for service delivery (government devolution). Sustainability may also be fostered through membership-based dues, income generation activities (enterprise revenue, fundraisers), and solidarity funding/resources. If, for instance, the organization is part of a union that organizes formal workers, there may be cross-subsidization. Occasionally, political parties might make contributions around election time to groups of informal workers.

<sup>6</sup> Conversely, in rare cases, the government might enlist organizations to monitor conditions on the ground and facilitate enforcement, as New York state (USA) did recently (Chan and Moynihan 2009).

The source of funding may affect the kind of organization that a group of informal workers becomes. Philanthropic funding may tend to foster the formation of NGOs – albeit ones with a policy advocacy agenda. Philanthropic resources tend not to support direct organizing or administration, and conditions attached to philanthropic funding may, over time, change the nature of the organization or its priorities. Therefore, having reliable membership-dues, which tend to compel an internal representative structure, can mitigate the risks attached to outside funding.

## 5. Governance

When classifying organizations, governance can be considered in two ways: process and structure. Obviously, both are related—a particular process of internal governance is more compatible with some structures over others. Conversely, structure sometimes constrains options for internal governance.

Governance dimensions must be examined in order to assess whether the organization, and its leadership in particular, have the authority to represent the particular group of informal workers. Governance is also key to establishing whether the organization is an MBO or a hybrid (assuming an MBO is defined as an organization where the members control the organization through a democratic structure and process).

### Internal Governance

The formal and effective degree of internal democracy depends on the following:

- the degree of member control: top down decision making as opposed to having a representative structure
- the form of the structured system for internal democracy: whether there are meetings and delega-

tions; what committee structures are in place (and how well these elements work in practice)

- the gender distribution of leadership/gender equity
- who the leaders are (e.g. middle class appointees, worker leaders)

For hybrids such as NGOs that have an advocacy goal and aim to build a membership, it will be necessary to find ways to categorize a structure even in the absence of elected leadership: for example, examining the staff/secretariat; and committee structure (major functions: membership; advocacy; admin functions). While these are not electoral processes, there may be ways to determine the degree of consultation that an organization routinely practices. The relationship between the NGO board and the members can be examined. It is also important to inquire about plans, if any, to spin off a MBO separate from the main body of the NGO.

### Structure

Determining structure entails assessing the following features:

- a) basic organization level: whether is the neighbourhood, city, county (rural); state; regional; national; or international (rarely as a basic organization) level
- b) attachment to a larger organization: whether the group belongs to a federation and at what level: city, county, state, regional, national, or international

In turn, it is useful to know the level or scale of organizations that are gathered in a federation – for example, if it is an international federation of neighborhood groups or an international federation of national groups (more common). Also, networks may gather a mixture of regional and national groups; StreetNet and the International Domestic Workers Network (IDWN) are examples of this. One may also need to identify *at what level* the organiza-

tion is active for a particular strategy. For some strategies, decisions are made at a higher level than for other strategies used by the organization; the level of consultation may be higher, too.

## 6. Scale

The scale of the organization is an important characteristic. Scale is related to the level of the organization (local, national, etc.) but other factors come into play. Depth and intensity of organizing also drive the scale. Also, different forms of organization lend themselves to big or small membership bases. For example, most of the waste picker cooperatives are very small in terms of members and geographical scope.

## Cross Cutting Themes

The following themes are relevant to all forms of informal worker organizations, regardless of the kind of workers, strategies of focus, or governance structure.

### 1. Bridges to Other Institutionally Recognized Organizations

For organizations of informal workers—and particularly for those that follow an NGO model—there are questions about how to relate to other organizations which have goals and constituencies that dovetail with informal workers. As well, there are considerations about how to choose which organizations to relate to.

In particular, cooperatives are one of the organizational forms that gather informal workers. When considering the relationships between unions and cooperatives, however, we will need to distinguish among producer cooperatives, service cooperatives, and credit cooperatives.

Producer cooperatives have more issues around minimum wages and labour standards. The latter two, service cooperatives and credit cooperatives, are less threatening, less complicated organizational forms for unions to handle. (Horn, 2008a, notes there are “countless” such cases). They are less threatening partly because they do not act directly on the terrain of employment relations.

There are several factors that can cause conventional unions, as well as other MBOs that follow a union model, to have hesitations about collaborating with producer cooperatives of informal workers. Producer cooperatives may present MBOs that follow an association or union model with some challenges in terms of perspective on policy. Unions and associations that have an active agenda around raising a national or state minimum wage and about advocating for raising labour standards may need to exert caution when dealing with producer cooperatives. Producer cooperatives may operate with norms of employment that are different from what a union might advocate in conventional private and public enterprises. In other words, because producer cooperatives are also “employers” of their members, the issue is more complicated. There is also the problem of so-called “false cooperatives,” which may have been induced by employers in order to avoid the financial obligations of private enterprise.

Therefore, in order for unions to engage with producer cooperatives, the unions may need to develop a policy perspective that encompasses both their traditional approach to improving economic conditions and that of any producer cooperatives with which they collaborate.

SEWA, because it is a union of self-employed as well as an umbrella for cooperative members, seems to have addressed this issue already. For other organizations, this issue remains important to think through. Horn (2008a) details issues and how they were addressed when the Brazilian trade union federation CUT helped establish cooperatives.

A related issue is that of producer associations—whether formally constituted as cooperatives or not. Questions have been raised about whether producer associations are MBOs or not. Questions raised in the Major Distinctions section, above, would need to be addressed, and answered in order to determine whether a producer organization/association is considered an MBO and WIEGO or its members might enter into collaboration with it.<sup>7</sup>

## 2. Participation in Networks

Most simply, it is possible to categorize how organizations of informal workers belong to *national, regional, and international* networks. Some networks are quite formally structured alliances of organizations; the most illustrative example is StreetNet International. Other networks entail primarily collaboration. Collaboration, in this context, means something looser than a formal federation. It may be a one-time, episodic, or steadier collaboration.

The kind of collaboration may center on the following:

- information sharing, for example on strategies and organizing
- resource sharing/donations
- input and support to international advocacy by network members
- organized activities in international domains, such as the International Labour Conference

Examples include networks of street vendors such as NASVI (the National Association of Street Vendors of India), one of the earliest national networks of local organizations. It is constituted of city-level organiza-

<sup>7</sup> Also, NGOs can be critical of the formation and sustaining of cooperatives and producer groups and there are questions of how membership-based organizations relate to these NGOs, and how they make decisions about whether to collaborate with them, or not.



**Producer cooperatives may operate with norms of employment that are different from what a union might advocate in conventional private and public enterprises.**



**Competition with other organizations sponsored by more powerful actors (political parties, business associations) may be an issue for some informal worker groups.**

tions of street vendors working with a state-level coordination committee. It has a representative structure providing for delegate representation commensurate with organization size.<sup>8</sup>

Also, home-based worker organizations have gathered into regional networks such as HomeNet South Asia, whose vision is to make home-based workers “visible, protected, promoted, empowered and capacitated to obtain decent work and have a decent standard of living.”<sup>9</sup>

The IDWN, formally constituted as an international organizing network in 2009, has actively participated in the ILO process to achieve an ILO convention for domestic workers (C189, adopted in 2011). The network comprises representatives of domestic worker organizations on its steering committee. It has an organizational base in the Global Union Federation IUF (International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers’ Associations)<sup>10</sup>, with special project status, and is supported by WIEGO (Bonner and Carré forthcoming).

Waste picker groups have also formed national networks in Brazil and Colombia. Also in Brazil, where waste pickers are well organized in some states and the subject of policy attention, local networks have come together to achieve economic goals such as sharing the costs of sorting facilities or gaining a place in formal waste management systems. Beginning in 2008, a waste picker global alliance has been developed.<sup>11</sup>

<sup>8</sup> <http://www.nasvnet.org/>

<sup>9</sup> For more about HomeNet South Asia’s mission, vision and objectives, see [http://www.homenetsouthasia.net/HomeNet\\_South\\_Asia\\_and\\_Overview.html](http://www.homenetsouthasia.net/HomeNet_South_Asia_and_Overview.html).

<sup>10</sup> IUF provides financial management and administrative backup to IDWN.

<sup>11</sup> <http://globalrec.org/>

### **3. Collaboration and Competition between Informal Worker Organizations and Political Parties**

Relationships with political parties may come in different forms, and the form may have consequences for the activities of the organization. The relationship can be organic; for example, the leadership of the organization is also active in a party. In other cases, the informal worker organization can be spawned, and possibly funded, by a party.

In rare cases, if the organization is receiving funding by a government, a relationship may exist with the party in power. Assessing the ambiguities of these relationships requires in-depth fieldwork and analysis.

Competition with other organizations sponsored by more powerful actors (political parties, business associations) may be an issue for some informal worker groups. Waste pickers associations in Brazil have been assisted by local authorities controlled by the Workers Party and they have the specific support of the party in power. They participate in a national forum especially set up to discuss the inclusion of waste pickers.

Assostsi,<sup>12</sup> an alliance of membership-based organizations of market vendors, hawkers and other informal workers in Mozambique, has been very close to the Frelimo ruling party and has reported that this is a productive relationship. Other street vendor associations have criticized the way they are used by politicians, especially around election times.

<sup>12</sup> Associação dos Operadores e Trabalhadores do Sector Informal started as a city-based alliance and is now moving toward a national structure (see [www.StreetNet.org.za](http://www.StreetNet.org.za)).

# Understanding “Success”

In terms of evaluating approaches as well as whether to join a collaboration, a starting point could be that what works for the most vulnerable informal workers—as a mechanism, practice or policy—would work for other workers, rather than the other way around, starting with the experience of the least vulnerable (Horn 2008a).

One aim of this paper is to enable interested researchers and observers to better understand what “success” consists of for informal worker organizations, and what factors to consider when seeking to measure it.

Success is context specific. It depends on the goals and degree of constraints on opportunities for informal workers and for organization building. Organizations face: institutional challenges (in terms of both the institutions they face in advocacy, but also national constraints on registration); economic and political challenges; and intra-organizational challenges. Intra-organizational challenges encompass management issues as well as maintaining internal democracy, and how its democratic practices relate to the above constraints.

Elements of the context matter particularly; they shape opportunities and challenges. Challenges are probably more important to understand here. As Horn (2008 a, b) noted, there are challenges rooted in the institutional context and challenges generated in conditions on the ground. Furthermore, political history contributes to the political environment, which also affects conditions on the ground. Political culture more generally affects conditions on the ground as well as strategies developed in response. For example, Gandhism—developed out of the historical ex-

perience of India with British colonialism—has been a key part of the roots of SEWA and has impacted the organizing approaches this union has used over time.

Therefore, for movement building strategies (and for defensive strategies), it is useful to know how challenges grounded in the institutional context for organizing constrain choice or prohibit certain forms of organizing. The same holds for challenges grounded in conditions on the ground.

For market strategies, examples of institutional and on-the-ground challenges include the following:

- regulations on cooperatives
- public sector procurement policies (e.g., a South African sewing cooperative attempting to sell school uniforms bumped up against school procurement contracts issued to larger private companies)
- access to start-up capital
- difficulties of access to credit and banking facilities in the absence of collateral
- limited management capacity or lack of business skills (often overcome by contracting technical skills but this may lead to an imbalance of power relations within the organization)

For strategies related to social protection, the institutional context governing social protection overall (to formal workers and others) affects options and the means of action.

For all types of strategies, the various policy “stances” adopted by authorities in each relevant area matter greatly. Whether policy acts to prohibit or allow, to remove obstacles to organizing/advocacy/market access, or even to promote certain strategies will further form the environment in which “success” can realistically be gauged.

## Measuring Scope as One Indicator of Success

Examples of key indicators of results include the following:

- number of members and of dues paying members
- number of workers affected by a contract signed with employers/contractors
- number of workers (and of family members) affected by a policy change won
- range of activities in which the organization engages

For internal purposes, an organization might use the successful collection of dues as an important indicator of how “tied in” workers are to the organization, and possibly of how successful the democratic structures of the organization are. The number of people affected by contracts and policy changes is a success indicator that can be used for external publicity, reports to donors, etc. The range of activities is a measure of scope of the reach of the organization.

For purposes of assessing impacts, scope should be understood in terms of direct impacts (an “inner ring”) and ripple effects of actions and organization (an “outer ring”). For example, Chen (2006) provides dimensions of member participation to assess.<sup>13</sup> Tallying indicators for more diffuse effects is harder, of course, yet it is important to do with informal worker organizations as with other worker voice efforts.

## Other Dimensions of Success

There are numerous, intermediate, steps to “success,” some of which are less tangible than others. Particularly, visibility, recognition, representative role in public forums,

<sup>13</sup> Chen (2006) provides operational definitions, appropriate to the SEWA context and goals, for general members, active members, leaders, and representatives.



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and confidence of the leadership are indicators of success and steps toward achieving greater success. As many observers note, these may not immediately translate into concrete results but serve to build momentum over time and contribute to the establishment of an organization's infrastructure.

Importantly, informal workers' organizations, like all organizations, only succeed if they also are sustainable as an organization.

## Directions for Future Work

Several salient questions form the main directions for a comprehensive research agenda on forms of informal worker organizations.

***What form of organization is most prevalent with what kinds of occupation and trade? And with what kind of worker?***

A typology can help answer this question. Likely, there is great diversity across countries, but some forms of organization likely are more common with some groups of workers or types of economic activity.

A first look points to broad patterns that require deeper exploration. Waste pickers have tended to organize in cooperatives and join regional/national alliances or networks (Latin America, India). Domestic workers have formed unions as well as relied on affinity groups, for example migrant worker organizations dominated by, or solely consisting of, domestic workers. They have also been organized through NGO initiated or supported associations. For example, New York-based Domestic Workers United acts like a union (though member dues may not be mandatory and it has received grant funding), but is not a government recognized union and cannot form a collective bargaining unit because U.S.

law does not allow it. Domestic worker networks consist of a mix of NGOs, unions, and associations.

Street vendors have tended to first organize in local associations and then form federations or alliances. Home-based workers have tended to form producer groups and join federations of producer groups—some of which may be member-based. Several of the producer group alliances and networks have a mixed composition. They may gather organizations that are member-based, but often are led by an NGO with a board that is not a worker-based board. Transport workers have tended to join unions or form associations (Horn 2008a).

***What form of organization is most successful with what kind of work and workers? And what kind of strategy is most successful with what kind of work and workers?***

***And what form of organizing, and organization, is most suited to what type of strategy, or combination of strategies?***

Obviously, this is a more complex set of questions to answer because of the multiple factors that enter in determining success and the fact that some of these factors (institutions, conditions on the ground) are not easily brought under control or do not offer propitious terrain to find leverage. As Pat Horn (2008a) noted, we need to acknowledge the contributions of political history and the political environment to the opportunities and challenges that each MBO faces, particularly when examining MBOs across different national contexts.

For these reasons, as research is conducted that helps build the understanding of what models and strategies are most appropriate and effective for particular workers, it would be best to first narrow the field down to a smaller group of organizations that are identified broadly as achieving success using specific strategies.

Then, case studies could be conducted in order to address the following *research goals*:

- to understand all the dimensions listed above, but particularly how strategies fit with particular types of work and workers
- to understand how particular strategies fit with the organizational goals of certain types of organizations
- to understand the linkages between goals and strategies, on one hand, and the particular institutional form (the actual form, not the registration status) that an MBO has taken on the other hand
- to be able to explain how a strategy is useful in a particular context and how an organization is capable of choosing and implementing a particular strategy

These topics seem most important in conveying the lessons of success for outside observers.

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#### **ABOUT WIEGO:**

Women in Informal Employment: Globalizing and Organizing is a global research-policy-action network that seeks to improve the status of the working poor, especially women, in the informal economy. WIEGO draws its membership from membership-based organizations of informal workers, researchers and statisticians working on the informal economy. For more information see [www.wiego.org](http://www.wiego.org).

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